

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

AMENDMENT TO OIL AND GAS LEASE

WHEREAS, City of Fort Worth ("Lessor") and Titan Operating, LLC ("Lessee") entered into that certain Oil and Gas Lease dated October 19th, 2009, a Memorandum of Oil & Gas Lease of which is filed in Document #210009640, Official Public Records of Tarrant County, Texas (the "Lease"); and

WHEREAS, Lessor and Lessee desire to amend the Lease in the manner provided below.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor, and Lessee hereby amend the Lease, as follows:

Paragraph (7) Seven of the Lease is titled "Retained Acreage" and contains sub paragraph B titled "Horizontal Wells". Lessor and Lessee agree to remove and replace sub paragraph (B) titled "Horizontal Wells" of the Lease with the following:

B. Horizontal Wells

It is expressly understood and agreed that, subject to the other terms, provisions and limitations contained in this Lease, Lessee shall have the right to drill "horizontal wells" under the leased premises, or lands pooled therewith. The term "horizontal well" or "horizontally drilled well" shall mean any well that is drilled with one or more horizontal drainholes having a horizontal drainhole displacement of at least five hundred eighty-five (585) feet. For the purposes of further defining the term "horizontal wells" and "horizontally drilled" reference is made to the definitions contained within Statewide Rule 86, as promulgated by the Railroad Commission of Texas, which definitions are incorporated herein for all purposes.

*In the event of any partial termination of the Lease as provided in Paragraph 7A, then, with regard to a well which is a horizontal well or a horizontally drilled well, Lessee shall be entitled to retain all sands and horizons at all depths from the surface down to a depth which is the stratigraphic equivalent of a depth of one hundred (100) feet below the base of the deepest producing formation in such well which is capable of producing oil or gas in paying quantities, but only in a spacing unit the area or number of acres of which are equal to the area or number of acres determined by adding twenty (20) acres for each **five-hundred thirty-six and six tenths (536.6) feet** horizontally drilled to the original forty (40) acres deemed to be a proration unit for each vertical well. Each such tract around each horizontally drilled well shall be as nearly in the shape of a square or a rectangle as is practical with the boundaries of the tract including the entire horizontal drainhole and the lateral boundaries of such tract being approximately equal distance from such drainhole and parallel thereto.*

If production should thereafter cease as to acreage included in a proration unit or pooled unit, this Lease will terminate as to such acreage unless Lessee commences reworking or additional drilling operations on such acreage within ninety (90) days thereafter and continues such reworking or additional drilling operations until commercial production is restored thereon, provided that if more than ninety (90) days pass between the abandonment of such well and the commencement of actual drilling operations for an additional well, or more than ninety (90) days pass since the commencement of reworking operations without the restoration of commercial production, the Lease shall terminate as to the applicable proration unit.

At any time or times that this Lease terminates as to all or any portion of the acreage of the leased premises, Lessee shall promptly execute and record in the office of the County Clerk in the County where the leased premises are located, a proper release of such terminated acreage and shall furnish executed counterparts of each such release to Lessor at the address shown in Paragraph 19 hereof.

For the same consideration recited above, Lessor does hereby consent to, ratify, adopt and confirm all of the terms and provisions of the Lease, as amended herein, and does hereby grant, lease, demise and let to Lessee, its successors and assigns, the lands covered by the Lease, as amended herein, upon and subject to all of the terms and provisions set out in the Lease, as amended. The undersigned hereby further declares that the Lease, as amended, in all its terms and provisions, is and remains a valid and subsisting Oil and Gas Lease and

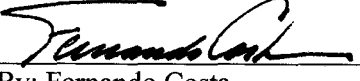
declares that the Lease is binding upon the Lessor and Lessor's successors and assigns. Except as set forth above, the remaining terms and provisions of the Lease shall remain in full force and effect.

EXECUTED this 28th day of June, 2010.

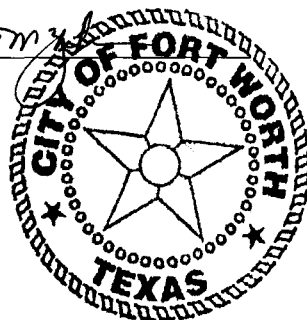
LESSOR:

CITY OF FORT WORTH

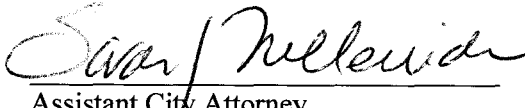
ATTEST:


By: Fernando Costa
Title: Assistant City Manager


Asst City Secretary



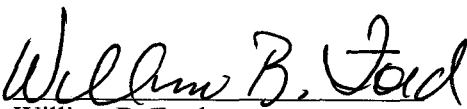
APPROVED AS TO FORM AND LEGALITY:


Assistant City Attorney
Date: 6/25/10

NO M&C REQUIRED

LESSEE:

TITAN OPERATING, LLC


William B. Ford
Vice President, Land

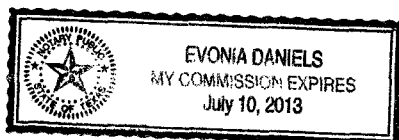
ACKNOWLEDGMENTS

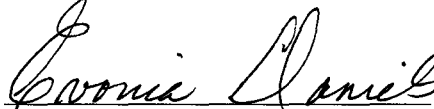
STATE OF TEXAS

COUNTY OF TARRANT

BEFORE ME, EVONIA DANIELS the undersigned, a Notary Public, on this day personally appeared Fernando Costa, known to me to be the person whose name is subscribed to the foregoing instrument and, that (s)he has executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 28th day of JUNE, 2010.

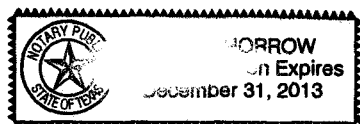


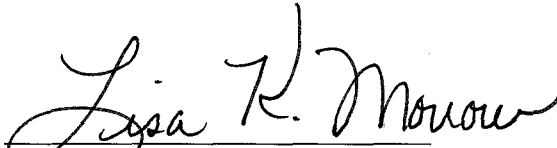

Notary Public, State of Texas

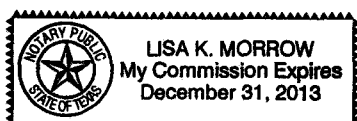
STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me on the 13th day of July, 2010, by William B. Ford, Vice President of Land of Titan Operating, LLC, a Texas limited liability company, on behalf of the limited liability company.



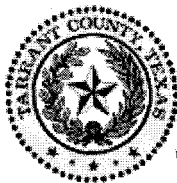

Notary Public, State of Texas



After recording, return to:
Titan Operating, LLC
111 W. 4th Street, Suite 300
Ft. Worth, TX 76102

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

TITAN OPERATING LLC
111 W 4TH ST # 300
FT WORTH, TX 76102

Submitter: NORWOOD LAND SERVICES
LLC

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 7/22/2010 12:24 PM

Instrument #: D210177012

OPR

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PGS

\$20.00

By: _____

A handwritten signature in cursive script, appearing to read "Suzanne Henderson", is written over a horizontal line.

D210177012

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: AKCHRISTIAN